

From the start, the Government of Canada has recognized that these negotiations - like all negotiations - require considerable give and take on both sides. We also recognize that the United States has legitimate objectives in these negotiations with regard to the issues of investment and services. That is why these negotiations have covered the full range of issues of interest to both including government procurement, trade remedy laws, agriculture, tariffs and non-tariff barriers, services, intellectual property, dispute settlement and implementing mechanisms.

While the negotiations are in progress, we still have to manage specific irritants. They have provided a good illustration of the need to reach the new understandings between us on the rules of the road.

But let us not fool ourselves. How we deal with them influences how we are going to do business together in the future. You will appreciate that the manner in which these irritants -- big or small -- is handled can and will affect the climate as well as the political will so vital to a successful negotiation.

Clearly the timetable we are working on is being set by the political life-span of both governments. The outcome of these talks will depend heavily on the commitment of the U.S. Administration to the negotiations and the resolve of the Administration to carry a deal through Congress.

Similarly, whatever the Canadian government agrees to, has to stand the critical test of Canadian public opinion and the support of Parliament and our provinces. It is essential, therefore, that what agreement we craft together be in the best interests of both countries.

Thank you